

REDACTED – FOR PUBLIC INSPECTION

VIA OVERNIGHT DELIVERY

July 1, 2015

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, S.W.
Washington, D.C. 20554

RE: **REQUEST FOR CONFIDENTIAL TREATMENT**
WC Docket No. 14-58 - ETC Annual Reports and Certifications

Request that Information Submitted to the Commission be Withheld from Public Inspection Pursuant to 47 C.F.R. §0.459 and 5 U.S.C. §552(b)(4): Five-Year Service Quality Improvement Plan Progress Report included in FCC Form 481

Confidential Financial Information – Subject to Protective Order in WC Docket Nos. 10-90, 07-135, 05-337, 03-109, 14-58, CC Docket Nos. 01-92, 96-45, GN Docket No. 09-51, WT Docket No. 10-208, Before the Federal Communications Commission

Dear Ms. Dortch:

In accordance with the annual reporting requirements of 47 C.F.R. §§54.313 and 54.422, Ozark Telephone Company (the Company), Study Area Code 421866 is submitting a completed FCC Form 481 to the Commission via its Electronic Comment Filing System (ECFS) in WC Docket No. 14-58. The Company, by its authorized representative, hereby requests confidential treatment of two attachments to its FCC Form 481: (1) the five-year service quality improvement plan progress report and (2) the financial annual report, both of which were redacted in the ECFS submission. The request for confidential treatment of the five-year plan progress report is being made pursuant to Section 0.459 of the Commission's rules and Exemption 4 of the Freedom of Information Act (FOIA). The request for confidential treatment of the financial annual report is being made



Ms. Marlene Dortch
Page 2

pursuant to the FCC's June 17, 2015 *Protective Order* in WC Docket No. 10-90 *et al.* These attachments contain competitively sensitive data that Ozark Telephone Company maintains as confidential and does not normally make available to the public. Release of this information would have a substantial negative impact on the Company.

Five-Year Service Quality Improvement Plan Progress Report

Pursuant to Section 0.459 of the Commission's rules and Exemption 4 of FOIA, Ozark Telephone Company requests that the text and data extracted from its five-year service quality improvement plan progress report be withheld from public inspection because it contains competitively sensitive commercial and financial information that the Company keeps confidential. Public availability of this information would have a substantial negative impact on the Company.

In accordance with Section 0.459 of the Commission's rules, the following information is provided in support of this request:

(1) Identification of the specific information for which confidential treatment is sought:

Attachment to Line 112 of FCC Form 481 – Five-Year Service Quality Improvement Plan Progress Report. Specifically, confidential treatment is sought for all information in the five-year plan progress report related to the Company's access line counts, existing broadband capabilities, and current and planned financial investments in its network that will improve service quality, service coverage, and/or service capacity for its customers.

(2) Identification of the Commission proceeding in which the information was submitted or a description of the circumstances giving rise to the submission:

The information was submitted in WC Docket No. 14-58 as an attachment to FCC Form 481- the Carrier Annual Reporting Data Collection Form. Section 100 of FCC Form 481 requires incumbent local exchange carriers receiving high cost support to attach a progress report on its five-year service quality improvement plan, pursuant to 47 C.F.R. §54.313(a)(1).

(3) Explanation of the degree to which the information is commercial or financial, or contains a trade secret or is privileged:

The five-year service quality improvement plan progress report contains granular information on the Company's access line counts and/or existing broadband capabilities as well as recent and planned capital investments in its network to improve service quality, service coverage, and/or service capacity. It also contains a map of the Company's service area detailing progress toward meeting broadband



Ms. Marlene Dortch

Page 3

deployment targets at the wire center level. This is closely guarded, privileged information that the Company does not make publicly available.

- (4) Explanation of the degree to which the information concerns a service that is subject to competition:

Broadband is subject to increasing competition in the areas served by rural, rate-of-return incumbent local exchange carriers (RLECs). Virtually all RLECs face competition from one or more wireless Internet service providers. Most RLECs also face competition from at least one other wireline broadband provider, such as a larger cable company, who will typically seek to “cherry pick” the lower cost portions of the study area. In addition, all RLECs face competition throughout their territories from satellite broadband providers.

- (5) Explanation of how disclosure of the information could result in substantial competitive harm:

Disclosure of the information contained in the five-year plan progress report would provide competitors with detailed, granular information regarding the Company’s access line count, its existing broadband capabilities, and its recent and planned network investments that improve service quality, coverage, and/or capacity for subscribers. This would give competitors invaluable confidential information with which to develop their own strategies for investing in the service area, thereby bringing substantial competitive harm to the Company.

- (6) Identification of any measures taken by the submitting party to prevent unauthorized disclosure:

The Company has continually treated the extracted information in its five-year plan progress report as confidential and carefully controls the information to protect it from competitors. Access to the information is limited to employees that require it and to non-employees with confidentiality obligations such as lenders, consultants, auditors, and attorneys. In addition, when such information is required to be submitted to a state regulatory authority it has been filed as confidential information, not available to the public.

- (7) Identification of whether the information is available to the public and the extent of any previous disclosure of the information to third parties:

The redacted information in the five-year plan progress report is not available to the public, and third-party access is limited as described in (6) above.

MOSS ADAMS LLP

Ms. Marlene Dortch

Page 4

- (8) Justification of the period during which the submitting party asserts that material should not be available for public disclosure:

The Company requests that the extracted information be withheld from public inspection indefinitely. The information in the five-year plan progress report details the Company's most recent network upgrades in relation to its previously submitted service quality improvement plan. It may also contain upcoming planned network improvements during the five-year period ending 2019. This information would provide a very useful baseline for competitors for several years beyond that period.

- (9) Any other information that the party seeking confidential information treatment believes may be useful in assessing whether its request for confidentiality should be granted:

Exemption 4 of FOIA shields from public disclosure commercial or financial information obtained from a person that is privileged or confidential. Based on the responses provided above, the information in question satisfies this test.

Financial Annual Report

Section 3005 of FCC Form 481 requires a privately-held rate-of-return carrier receiving high cost support to attach a full and complete annual report of the company's financial condition and operations pursuant to 47 C.F.R. §54.313(f)(2). Ozark Telephone Company seeks confidential treatment of its financial annual report pursuant to the June 17, 2015 *Protective Order* in WC Docket No. 10-90, *et al.*¹ The *Protective Order* specifically covers information filed pursuant to 47 C.F.R. §54.313(f)(2).

Ozark Telephone Company is providing to the Office of the Secretary, under seal, this cover letter and the Form 481 filing which includes the confidential information that is being requested to be withheld from public inspection.

Each page of the five-year service quality improvement plan progress report confidential submission bears the legend, "CONFIDENTIAL – NOT FOR PUBLIC DISCLOSURE."

Each page of the financial annual report confidential submission bears the legend, "CONFIDENTIAL FINANCIAL INFORMATION – SUBJECT TO PROTECTIVE ORDER IN WC DOCKET NOS. 10-90, 07-135, 05-337, 03-109, 14-58, CC DOCKET NOS. 01-92, 96-45, GN DOCKET NO. 09-51, WT DOCKET NO. 10-208, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION."

¹ *Connect America Fund et al.*, WC Docket No. 10-90 *et al.*, Protective Order, DA 15-712 (rel. June 17, 2015).

MOSS-ADAMS LLP

Ms. Marlene Dortch
Page 5

Two copies of the Form 481 filing in redacted form and an accompanying cover letter are also being provided with the confidential filing. Each page of the redacted filing and accompanying cover letter is marked "REDACTED – FOR PUBLIC INSPECTION."

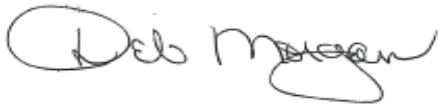
Two copies of this cover letter and the Form 481 filing with the confidential information are also being delivered to Mr. Charles Tyler, Telecommunications Access Policy Division, Wireline Competition Bureau.

The confidential information has also been submitted to the Universal Service Administrative Company through its E-File system as attachments to the FCC Form 481.

This cover letter includes no confidential information and the text is the same in both the non-redacted and redacted versions except for the confidentiality markings.

Please contact me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Deb Morgan". The signature is fluid and cursive, with the first name "Deb" being more prominent than the last name "Morgan".

Deb Morgan
Authorized Representative for
Ozark Telephone Company

DM/pjf

Enclosures

cc: Mr. Charles Tyler, Telecommunications Access Policy Division, Wireline Competition Bureau, Federal Communications Commission, (2 hardcopies of non-redacted submission)

Mr. Jay Mitchell, Ozark Telephone Company

**LINE 112 – FIVE-YEAR SERVICE QUALITY IMPROVEMENT PLAN
PROGRESS REPORT**

[REDACTED]

[REDACTED]

[REDACTED]

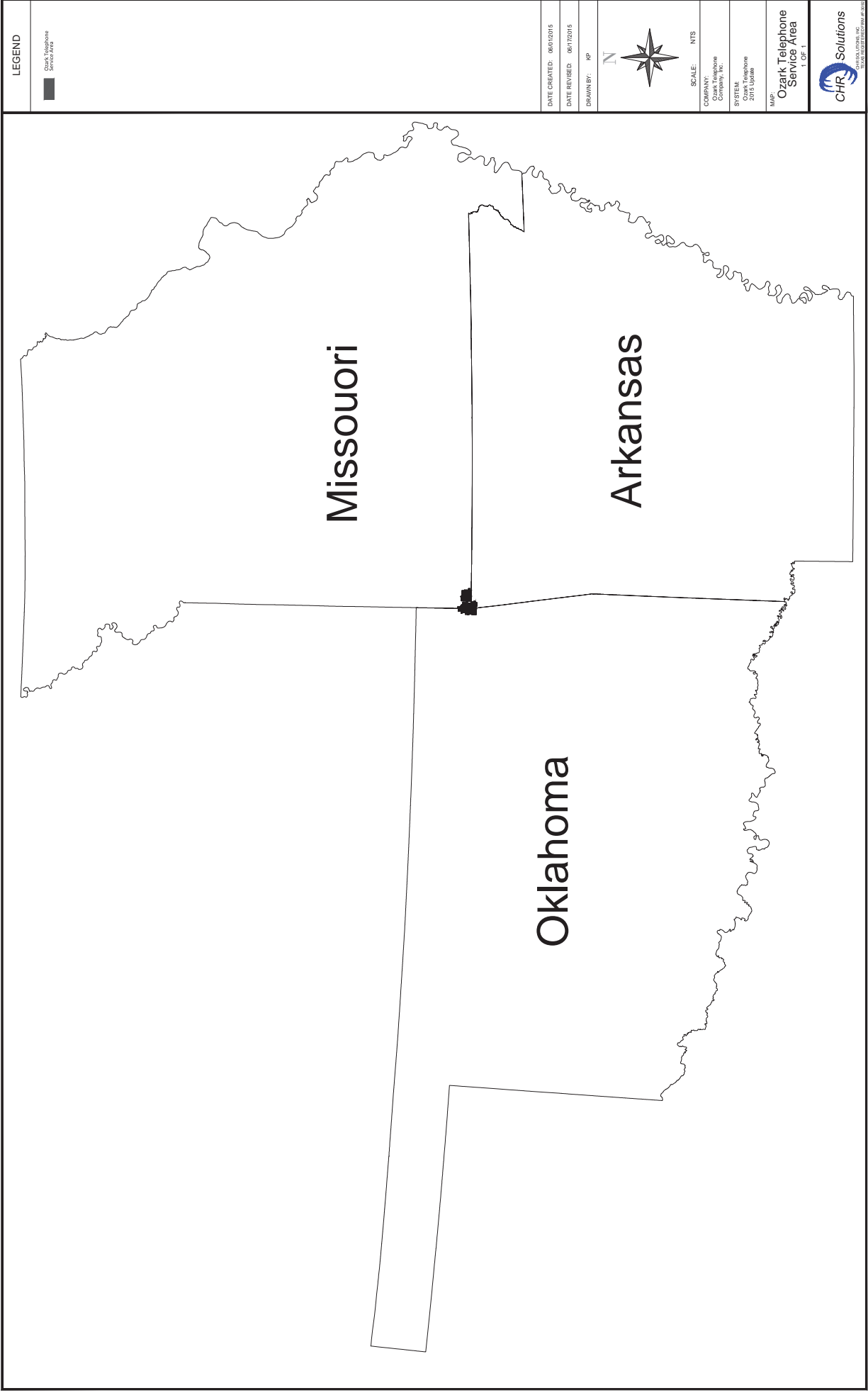
Service Quality Improvement Plan Progress Report

Exchange	Description of Improvement	2015 Forecast	2015 Progress (Jan.-Jun.)
Noel	[REDACTED]	[REDACTED]	[REDACTED]
Southwest City	[REDACTED]	[REDACTED]	[REDACTED]
GRAND TOTAL		[REDACTED]	[REDACTED]

2015 Progress Report Description

[REDACTED]

[REDACTED]



LEGEND



Equipment Site



Exchange Boundary



2015 Quality Improvement Areas

County Line

System Level Improvements - No
System Level Additions Proposed

DATE CREATED: 06/01/2015

DATE REVISED: 05/17/2015

DRAWN BY: KP



SCALE: NTS

COMPANY:

COMPANY:
Ozark Tele
Company.

1022

SYSTEM:
FCC ETC 5 Year Plan
2015 Update

MAP:

Ozark Telephone
Service Area

CHR SOLUTIONS, INC.
7000 W. CENTURY BLVD. SUITE 200
DENVER, CO 80221
TEL: 303.755.1100
WWW.CHR-SOLUTIONS.COM

LINE 510 - SERVICE QUALITY STANDARDS AND CONSUMER PROTECTION RULES COMPLIANCE

Ozark Telephone Company (the “Company”) complies with applicable service quality standards and consumer protection rules for its voice and broadband services.

The rates, terms, and conditions under which the Company operates are outlined in its Local Exchange Tariffs, which are approved by the Missouri Public Service Commission (“Missouri PSC”). The tariff contains provisions regarding the Company’s customer service and protection practices.

Service quality standards for voice service are established by the Missouri PSC. The Company consistently meets or exceeds those standards and provides reports to the Missouri PSC, in accordance with the Missouri PSC’s rules.

With regard to broadband service, the Company provisions its network and equipment to ensure that its customers can enjoy the speeds to which they subscribe. However, Internet speeds generally result from a “best effort” service and are dependent upon a number of variables, many of which are outside the control of the Company.

The Company complies with any and all consumer protection obligations under state law.

The Company also complies with the following consumer best practices: (1) the Company discloses its rates and terms of service to customers; (2) the Company provides specific disclosures in its advertising; (3) the Company separately identifies carrier charges from taxes on its billing statements; (4) the Company provides ready access to customer service; (5) the Company promptly responds to consumer inquiries and complaints received from government agencies; and (6) the Company abides by policies for protection of consumer privacy.

Finally, the Company has a policy and established operating procedures that comply with the FCC’s Customer Proprietary Network Information (CPNI) rules (47 C.F.R. §§64.2001-64.2011). Certification of the Company’s compliance with CPNI rules and a description of the Company’s operating procedures that ensure compliance are filed annually with the FCC.

LINE 610 - ABILITY TO FUNCTION IN EMERGENCY SITUATIONS

Ozark Telephone Company (Company) certifies that it is able to function in an emergency situations as set forth in the Code of Federal Regulations, Title 47, Part 54, Subpart C, §54.202(a)(2).¹ The Company has permanently mounted standby generators at the main switching office of each wire center with capacity to provide emergency AC service in the event of a power outage. In addition to the permanently mounted generators at each wire center, the company has several portable generators to provide AC service at digital line concentrator sites within each wire center's exchange area to ensure functionality when commercial power is not available at these locations. The network is capable of managing traffic spikes resulting from emergency situations.

Toll service(s) are provided over fiber optic facilities which are arranged to ring protect should a fiber breakage or a hardware failure occur. In addition to the toll service ring facilities, remote offices are protected with fiber ring facilities for the host/remote office links. Although the Company's ability to reroute traffic around damaged facilities is not absolute and may be limited in certain circumstances, there is a restoration plan in place for expeditious recovery of service, including splicing of damaged facilities when warranted.

¹ Section 54.202(a)(2) requires ETCs that are designated by the Commission to "demonstrate its ability to remain functional in emergency situations including demonstration that it has a reasonable amount of back-up-power to ensure functionality without an external power source, is able to reroute traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations."

LINE 920 – TRIBAL GOVERNMENT ENGAGEMENT OBLIGATION

Ozark Telephone Company provides business and residential facilities and services within the tribal area of the Seneca Cayuga Tribe of Oklahoma.¹

During the reporting period of 2014, the Company had not been contacted by any Tribal representative concerning Ozark Telephone Company's service offering. Their previous responses indicate there are no Native American businesses within the tribal territory served by Ozark Telephone Company and only the normal service offerings for residential services are, and will be, required.

¹ FCC Public Notice, DA12-1165, released July 19, 2012, footnote 2, states, "In the context of the *USF/ICC Transformation Order*, "Tribal lands" is defined as "any federally recognized Indian tribe reservation, pueblo or colony, including former reservations in Oklahoma..."

LINE 1010 – VOICE SERVICES RATE COMPARABILITY

The Wireline Competition Bureau's most recent reasonable comparability benchmark for voice services is \$47.48, which includes the federal subscriber line charge ("SLC").¹

In all of the exchanges served by Ozark Telephone Company ("the Company"), the single-line residential local rate, including any mandatory extended area service charge, is \$14.00. When the federal SLC (\$6.50) and the state universal service fee (\$.02) are included, the rate becomes \$20.52. Therefore, the Company's pricing of fixed voice services is less than the reasonable comparability benchmark of \$47.48.

¹ *Wireline Competition Bureau Announces Results of 2015 Urban Rate Survey for Fixed Voice and Broadband Services and Posting of Survey Data and Explanatory Notes*, Public Notice, WC Docket No. 10-90, DA 15-470 (rel. April 16, 2015).

LINE 1210 – TERMS & CONDITIONS OF VOICE TELEPHONY LIFELINE PLANS

Oklahoma Residential customers of Ozark Telephone Company (“the Company”) who qualify for the Lifeline Program receive a federal discount of \$9.25 and Tribal customers receive a maximum federal discount of \$34.25 with a minimum payment of \$1.00 per month.

The Lifeline single-line residential rate, including any mandatory extended area service charge and the federal subscriber line charge (“SLC”) is \$11.25 (\$20.50 standard rate - \$9.25 discount). This rate applies to the Southwest City Exchange.

Missouri Residential customers of Ozark Telephone Company who qualify for the Lifeline Program receive a Lifeline Program discount of \$15.69 (9.25 federal discount and a state discount of \$6.44).

The Lifeline single-line residential rate, including any mandatory extended area service charge and the federal subscriber line charge (“SLC”) is \$4.81 (\$20.50 standard rate - \$15.69 discount). This rate applies to the following exchanges: Noel and Southwest Exchanges.

All single-line residential customers, including Lifeline customers, have an unlimited number of minutes for calls made within their local calling area.

Toll charges for calls outside of the local calling area are determined by the long distance carrier of the customer’s choosing. Customers may elect to subscribe to toll blocking at no charge.

The Company does not disconnect the service of Lifeline subscribers for the non-payment of toll charges. However, the Company reserves the right to implement toll blocking, at no charge, if the customer incurs a significant balance of unpaid toll bills.

Lifeline Program reductions do not apply to additional services such as information-related services and custom calling features. Lifeline customers may subscribe to these services, where available, at the same rates offered to other customers.

The attached pages from the Company’s Telephone Services Tariff include the terms and conditions for Lifeline Service.

LOCAL EXCHANGE SERVICE

14.093u

V. LIFELINE SERVICE

A. Applicability

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1. Lifeline Service is a voice telephony service assistance program designed to provide eligible residential customers with a credit to be applied to the price of Residential voice telephony service.
2. Eligible customers will receive a credit as set forth in Section IV. Lifeline Credits below, to be applied to their Residential voice telephony service.
3. Customers shall not receive more than one Lifeline credit regardless of the number of residential voice telephony services or locations the customer receives service within the State of Oklahoma.
4. Lifeline Service shall not be available on a retroactive basis.

B. Designated Services Available to Lifeline Customers (1)

The following services shall be offered to eligible Lifeline customers:

1. voice telephony services that provide voice grade access to the public switched network or its functional equivalent;
2. minutes of use for local service provided at no additional charge to end users;
3. access to the emergency services provided by local government or other public safety organizations, such as 911 and enhanced 911, to the extent the local government in an eligible carrier's service area has implemented 911 or enhanced 911 systems; and
4. toll limitation services to qualifying low-income consumers as provided in 47 CFR §54.400.

C. Eligibility Requirements for Lifeline Service On Non-Tribal Lands

1. The customer, one or more of the customer's dependents, or the customer's household (applicant) seeking Lifeline service credit must provide documentation to the Company establishing that the applicant meets one or more of the following eligibility requirements prior to receiving the Lifeline service credit.

AT

Lifeline service may not be disconnected for non-payment of toll charges.

Public Utility Division
201400093u
Tariff Sheets Approved
per 165:55-5-10(c)
Issued: 10-31-14

Issued: 10-31-14

Legal Authority: OAC 165:55-5-10(c)

Effective: 11-1-2014

LOCAL EXCHANGE SERVICE

AT

V. LIFELINE SERVICE

C. Eligibility Requirements for Lifeline Service On Non-Tribal Lands (Continued)

- a. The applicant must receive benefits from one of the following federal assistance programs: Medicaid; Supplemental Nutrition Assistance Program ("SNAP" f/k/a Food Stamps); Supplemental Security Income; Federal Public Housing Assistance (Section 8); Low-Income Home Energy Assistance Program; National School Lunch Program's free lunch program; or Temporary Assistance for Needy Families; or
 - b. An applicant's household income as defined in 47 CFR § 54.400(f) must be at or below 135% of the Federal Poverty Guidelines for a household of that size; or
 - c. Participate in or receive assistance or benefits, as certified by the Oklahoma Department of Human Services, under a program providing Temporary Assistance to Needy Families; Supplemental Nutrition Assistance Program ("SNAP" f/k/a Food Stamps); Medical Assistance or Medicaid; or Supplemental Security Income.
 - d. Participate in or receive assistance or benefits, as certified by the State Department of Rehabilitation services, under a program providing vocational rehabilitation, including aid to the hearing impaired; or
 - e. Participate in or receive assistance or benefits, as certified by the Oklahoma Tax Commission, pursuant to the Sales Tax Relief Act, 68 O.S. § 5011 et seq.
2. In addition to meeting the qualifications provided in paragraphs a. through e. above, in order to constitute a qualifying low-income applicant, an applicant must not already be receiving a Lifeline service, and there must not be anyone else in the applicant's household subscribed to a Lifeline service.
 3. The eligibility requirements listed above will be certified to by the applicant or the applicable state agency. The Company assumes no responsibility for the certification of customers or applicants eligibility.
 4. Upon receipt of the applicant's documentation, in accordance with 47 CFR § 54.410, establishing eligibility for Lifeline credit, and the Company's provisioning of Lifeline service to the applicant the Company will begin providing the credit.

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Public Utility Division
201400093u
Tariff Sheets Approved
per 165:55-5-10(c)
Issued: 10-31-14

LOCAL EXCHANGE SERVICE

V. LIFELINE SERVICE

C. Eligibility Requirements for Lifeline Service On Non-Tribal Lands (Continued)

5. Lifeline customers are required to provide documentation for the purpose of determining their continuing eligibility for the Lifeline credit, upon request of the Company, no less frequently than annually, in accordance with 47 CFR § 54.410.
6. The Lifeline service credit will be discontinued for customers who no longer meet the eligibility requirements for the Lifeline Service credit.

D. Lifeline Credits for Lifeline Service On Non-Tribal Lands

	<u>Monthly Credit</u>
Federal Lifeline Credit:	\$9.25 ¹

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Public Utility Division
2014000939
Tariff Sheets Approved
per 165:55-5-10(c)
Issued: 10-31-14

¹ Pursuant to OAC 165:55-13-14 (e) the credit applied will not exceed the total of the federal end user charge and the residential local exchange rate, less \$1.00. In no instance will a subscriber's monthly local exchange rate be less than \$1.00 after the application of the Lifeline Credits.

LOCAL EXCHANGE SERVICE

V. LIFELINE SERVICE

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E. Eligibility Requirements for Lifeline Service On Tribal Lands

1. The customer, one or more of the customer's dependents, or the customer's household (applicant) seeking Lifeline service credit must provide documentation to the Company establishing that the applicant meets one or more of the following eligibility requirements prior to receiving the Lifeline service credit.
 - a. The applicant must receive benefits from one of the following federal assistance programs: Medicaid; Supplemental Nutrition Assistance Program ("SNAP" f/k/a Food Stamps); Supplemental Security Income; Federal Public Housing Assistance (Section 8); Low-Income Home Energy Assistance Program; National School Lunch Program's free lunch program; or Temporary Assistance for Needy Families; or
 - b. An applicant's household income as defined in 47 CFR § 54.400(f) must be at or below 135% of the Federal Poverty Guidelines for a household of that size; or
 - c. Participate in or receive assistance or benefits, as certified by the Oklahoma Department of Human Services, under a program providing Temporary Assistance to Needy Families; Supplemental Nutrition Assistance Program ("SNAP" f/k/a Food Stamps); Medical Assistance or Medicaid; or Supplemental Security Income.
 - d. Participate in or receive assistance or benefits, as certified by the State Department of Rehabilitation services, under a program providing vocational rehabilitation, including aid to the hearing impaired; or
 - e. Participate in or receive assistance or benefits, as certified by the Oklahoma Tax Commission, pursuant to the Sales Tax Relief Act, 68 O.S. § 5011 et seq.
 - f. A customer who lives on Tribal lands is eligible for Lifeline service as a "qualifying low-income consumer" as defined by 47 CFR § 54.400(a) and as an "eligible resident of Tribal lands" as defined by 47 CFR § 54.400(e) if that customer meets the qualifications for Lifeline specified in paragraphs a. through e. above or if the customer, one or more of the customers dependents, or the

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Public Utility Division
201400093u
Tariff Sheets Approved
per 165:55-5-10(c)

LOCAL EXCHANGE SERVICE

V. LIFELINE SERVICE

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E. Eligibility Requirements for Lifeline Service On Tribal Lands (continued)

customers household participates in one of the following Tribal-specific federal assistance programs: Bureau of Indian Affairs general assistance; Tribally administered Temporary Assistance for Needy Families; Head Start (only those households meeting its income qualifying standard); or the Food Distribution Program on Indian Reservations.

2. In addition to meeting the qualifications provided in paragraphs a. through e. above, in order to constitute a qualifying low-income applicant, an applicant must not already be receiving a Lifeline service, ~~and there must not be anyone else in the applicant's household subscribed to a Lifeline service.~~
3. The eligibility requirements listed above will be certified to by the applicant or the applicable state agency. The Company assumes no responsibility for the certification of customers or applicants eligibility.
4. Upon receipt of the applicant's documentation, in accordance with 47 CFR § 54.410, establishing eligibility for Lifeline credit, and the Company's provisioning of Lifeline service to the applicant the Company will begin providing the credit.
5. Lifeline customers are required to provide documentation for the purpose of determining their continuing eligibility for the Lifeline credit, upon request of the Company, no less frequently than annually, in accordance with 47 CFR § 54.410.
6. The Lifeline service credit will be discontinued for customers who no longer meet the eligibility requirements for the Lifeline Service credit.

Lifeline Credits for Lifeline Service On Tribal Lands

	<u>Monthly Credit</u>
Federal Lifeline Credit:	\$34.25 ²

AT

Public Utility Division
201400093u
Tariff Sheet Approved
per 165:55-5-10(c)

²Pursuant to OAC 165:55-5-13-14 (e) the credit applied will not exceed the total of the federal end user charge and the residential local exchange rate, less \$1.00. In no instance will a subscriber's monthly local exchange rate be less than \$1.00 after the application of the Lifeline Credits.

GENERAL AND LOCAL EXCHANGE TARIFF

RECEIVEDLIFELINE SERVICELOCAL EXCHANGE SERVICE

FEB 27 1996

A. General

MISSOURI
Public Service Commission

1. Lifeline Service applies a credit to the Basic Local Exchange Service monthly recurring access line rates for qualifying residential customers.

2. Eligibility Requirements

Lifeline Service is available to those customers who are certified by the Department of Social Services as eligible to receive Utilicare benefits. The Department of Social Services shall inform such persons about how to apply for assistance under the Lifeline Service plan and shall provide to each person documentation of eligibility for participation in the program.

3. Lifeline Service is limited to one line per household at the customer's primary residence.

B. Rates and Charges

1. Service charges do not apply when Lifeline Service is added to an existing service, or is discontinued, and it is the only service being ordered.

2. A total credit of \$4.00 applies as follows:

Monthly
Rate

- a. A monthly credit applies to the Federal Subscriber Line Charge, and \$ 2.00
 - b. A monthly credit applies to the network access line rate. 2.00
3. All recurring or nonrecurring charges for any service other than Lifeline Service shall be billed at tariffed rates.
 4. When the customer is no longer eligible for Lifeline Service, the Lifeline credit will be discontinued and regular tariffed rates and charges will apply.

FILED

APR 1 1996

95-134

MO. PUBLIC SERVICE COMM

Issued: March 1, 1996

Effective: April 1, 1996

W. Jay Mitchell
President
Seneca, Missouri

GENERAL AND LOCAL EXCHANGE TARIFF

RECEIVEDSERVICES LIMITED TO EXISTING CUSTOMERS

FEB 27 1996

SPECIAL REVERSED CHARGE TOLL SERVICE (Enterprise/Zenith)**MISSOURI
Public Service Commission**

B. Rates and Charges

1. The customer to this service is charged the established sent-paid station-to-station Day, Evening and Sunday, or Night message toll rate for each completed call. In addition the monthly rate, payable in advance, applies for each exchange selected. One directory listing in the alphabetical list for each exchange selected is provided without additional charge.

	<u>Monthly Rate</u>
a. Special Reversed Charge Toll Service, per exchange	10.60 (1)

(1) Regular rates and charges for local exchange service apply.

FILED

Issued: March 1, 1996

Effective: April 1, 1996
APR 1 1996W. Jay Mitchell
President
Seneca, Missouri**MO. PUBLIC SERVICE COMM**

GENERAL AND LOCAL EXCHANGE TARIFF

RECEIVED

SERVICES LIMITED TO EXISTING CUSTOMERS

FEB 27 1996

SPECIAL TOLL (Q-Z) BILLING PLAN

**MISSOURI
Public Service Commission**

A. General

1. Special billing codes, provided by the Company, may be used by customers to allocate long distance messages to specific stations, departments, or accounts. The charges for this service will be at operator handled rates.

B. Rates and Charges

Monthly
Rate

1. Each group of 50 codes, or fraction

(1)

(1) Charges for this service will be at the operator handled rates.

FILED

Issued: March 1, 1996

Effective: April 1, 1996

APR 1 1996

W. Jay Mitchell
President
Seneca, Missouri

MO. PUBLIC SERVICE COMM

GENERAL AND LOCAL EXCHANGE TARIFF

RECEIVEDSERVICES LIMITED TO EXISTING CUSTOMERS

FEB 27 1996

TRANSFER SERVICEMISSOURI
Public Service Commission

A. General

This service provides for the automatic transfer of incoming calls from one line to another through the operation of a key at the customer's location.

B. Conditions

1. This service is available only with one-party or key business lines or PBX/PABX trunks within the same central office, where the central office is so equipped and only where the equipment allows.

C. Rates and Charges

1. In addition to the following monthly rates, Service Charges apply.

	<u>Monthly Rate</u>	<u>Installation Charge</u>
2. Customer Transfer Service	4.75	-

Issued: March 1, 1996

Effective: April 1, 1996

FILEDW. Jay Mitchell
President
Seneca, Missouri

APR 1 1996

MO. PUBLIC SERVICE COMM

LIFELINE SERVICE

I. Applicability

- A. Lifeline Service is a telecommunications service assistance program designed to provide eligible residential customers with a credit to be applied to the price of basic local exchange service.
- B. Eligible customers will receive a credit as set forth in Section IV. Lifeline Credits below, to be applied to their basic local exchange access service.
- C. Customers shall not receive more than one Lifeline credit regardless of the number of residential access lines or locations the customer receives service within the State of Oklahoma.
- D. All charges, either recurring or nonrecurring, for any service or feature other than Lifeline Service shall be billed at the tariffed rate.
- E. Lifeline Service shall not be available on a retroactive basis.

II. Designated Services Available to Lifeline Customers (1)

The following services shall be offered to eligible Lifeline customers:

- 1. Single Party Service
- 2. Local Usage
- 3. Touch Tone Services
- 4. Voice Grade Access to the Public Switched Network
- 5. Access to Emergency Services
- 6. Access to Operator Services
- 7. Access to Interexchange Services
- 8. Access to Directory Assistance
- 9. Availability of Toll Restriction at No Charge (2)

III. Eligibility Requirements

- A. Customers or applicants seeking a Lifeline service credit must provide documentation to the Company establishing that the customer or applicant meets one or more of the following eligibility requirements prior to receiving the Lifeline service credit.

(1) Lifeline service may not be disconnected for non-payment of toll charges.

(2) Eligible customers accepting toll restriction services shall not be required to pay a deposit.

APPROVED

JAN 01 1998

DIRECTOR OF

PUBLIC UTILITIES

LIFELINE SERVICE

III. Eligibility Requirements (Continued)

1. The applicant or customer must meet the requirements for eligibility for either Medicaid, Food Stamps, federal public housing, Low-Income Energy Assistance Program, or Supplemental Security Income. Additionally, persons who are eligible recipients of income assistance for Vocational Rehabilitation (including Aid to the Hearing Impaired) are also eligible for the Lifeline Service credit; or
 2. Are eligible for or receive assistance or benefits, as certified by the State Department of Rehabilitation services, under programs providing vocational rehabilitation, including aid to the hearing impaired; or
 3. Are eligible for or receive assistance or benefits, as certified by the Oklahoma Tax Commission, pursuant, pursuant to the Sales Tax Relief Act, section 5011 et seq. of Title 68 of the Oklahoma Statutes.
 4. For federal income tax purposes, the applicant is not a dependant unless over sixty years of age.
- B. The eligibility requirements listed above will be certified to by the applicant or the applicable state agency. The Company assumes no responsibility for the certification of customers or applicants eligibility.
- C. Upon receipt of the applicant's documentation establishing eligibility as stated above, the Company will begin providing the credit.
- D. Lifeline customers are required to provide documentation for the purpose of determining their continuing eligibility for the Lifeline credit, upon request of the Company, no less frequently than annually.
- E. The Lifeline service credit will be discontinued for customers who no longer meet the eligibility requirements for the Lifeline Service credit.

APPROVED

JAN 01 1998

LINE 3010 – MILESTONE CERTIFICATION

Ozark Telephone Company. (the “Company”) hereby certifies that the Company has taken reasonable steps to provide upon reasonable request broadband service at actual speeds of at least 4 Mbps downstream/1 Mbps upstream, with latency suitable for real-time applications, including Voice over Internet Protocol, and usage capacity that is reasonably comparable to reasonably comparable offerings in urban areas, and that requests for such service are met within a reasonable amount of time.

LINE 3012 – COMMUNITY ANCHOR INSTITUTIONS

Ozark Telephone Company did not newly deploy broadband service to any community anchor institutions in the preceding calendar year (2014).

ording to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid B control number for this information collection is 0572-0031. The time required to complete this information collection is estimated to average 4 hours per response, including the time for reviewing instructions, ching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

USDA-RUS

This data will be used by RUS to review your financial situation. Your response is required by 7 U.S.C. 901 et seq. and, subject to federal laws and regulations regarding confidential information, will be treated as confidential.

BORROWER NAME

Ozark Telephone Company

(Prepared with Audited Data)

OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

TRUCTIONS-Submit report to RUS within 30 days after close of the period.
detailed instructions, see RUS Bulletin 1744-2. Report in whole dollars only.

PERIOD ENDING
December, 2014

BORROWER DESIGNATION
MO0610

CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY 7 CFR PART 1788, CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1788 OF 7CFR CHAPTER XVII

(Check one of the following)

☒ All of the obligations under the RUS loan documents have been fulfilled in all material respects.

☐ There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in the Telecom Operating Report

JAY MITCHELL

6/12/2015

DATE

PART A. BALANCE SHEET

ASSETS	BALANCE PRIOR YEAR	BALANCE END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	BALANCE PRIOR YEAR	BALANCE END OF PERIOD
URRENT ASSETS					
Cash and Equivalents					
Cash-RUS Construction Fund					
Affiliates:					
a. Telecom, Accounts Receivable					
b. Other Accounts Receivable					
c. Notes Receivable					
Non-Affiliates:					
a. Telecom, Accounts Receivable					
b. Other Accounts Receivable					
c. Notes Receivable					
Interest and Dividends Receivable					
Material-Regulated					
Material-Nonregulated					
Prepayments					
Other Current Assets					
Total Current Assets (1 Thru 9)					
NCURRENT ASSETS					
Investment in Affiliated Companies					
a. Rural Development					
b. Nonrural Development					
Other Investments					
a. Rural Development					
b. Nonrural Development					
Nonregulated Investments					
Other Noncurrent Assets					
Deferred Charges					
Jurisdictional Differences					
Total Noncurrent Assets (11 thru 16)					
ANT, PROPERTY, AND EQUIPMENT					
Telecom, Plant-in-Service					
Property Held for Future Use					
Plant Under Construction					
Plant Adj., Nonop. Plant & Goodwill					
Less Accumulated Depreciation					
Net Plant (18 thru 21 less 22)					
TOTAL ASSETS (10+17+23)					

Total Equity = % of Total Assets

USDA-RUS

OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

BORROWER DESIGNATION

MO0610

PERIOD ENDING

December, 2014

INSTRUCTIONS- See RUS Bulletin 1744-2

PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS

ITEM	PRIOR YEAR	THIS YEAR
1. Local Network Services Revenues		
2. Network Access Services Revenues		
3. Long Distance Network Services Revenues		
4. Carrier Billing and Collection Revenues		
5. Miscellaneous Revenues		
6. Uncollectible Revenues		
7. Net Operating Revenues (1 thru 5 less 6)		
8. Plant Specific Operations Expense		
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)		
10. Depreciation Expense		
11. Amortization Expense		
12. Customer Operations Expense		
13. Corporate Operations Expense		
14. Total Operating Expenses (8 thru 13)		
15. Operating Income or Margins (7 less 14)		
16. Other Operating Income and Expenses		
17. State and Local Taxes		
18. Federal Income Taxes		
19. Other Taxes		
20. Total Operating Taxes (17+18+19)		
21. Net Operating Income or Margins (15+16-20)		
22. Interest on Funded Debt		
23. Interest Expense - Capital Leases		
24. Other Interest Expense		
25. Allowance for Funds Used During Construction		
26. Total Fixed Charges (22+23+24-25)		
27. Nonoperating Net Income		
28. Extraordinary Items		
29. Jurisdictional Differences		
30. Nonregulated Net Income		
31. Total Net Income or Margins (21+27+28+29+30-26)		
32. Total Taxes Based on Income		
33. Retained Earnings or Margins Beginning-of-Year		
34. Miscellaneous Credits Year-to-Date		
35. Dividends Declared (Common)		
36. Dividends Declared (Preferred)		
37. Other Debits Year-to-Date		
38. Transfers to Patronage Capital		
39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]		
40. Patronage Capital Beginning-of-Year		
41. Transfers to Patronage Capital		
42. Patronage Capital Credits Retired		
43. Patronage Capital End-of-Year (40+41-42)		
44. Annual Debt Service Payments		
45. Cash Ratio [(14+20-10-11) / 7]		
46. Operating Accrual Ratio [(14+20+26) / 7]		
47. TIER [(31+26) / 26]		
48. DSCR [(31+26+10+11) / 44]		

**OPERATING REPORT FOR
TELECOMMUNICATIONS BORROWERS**

MO0610

PERIOD ENDED

December, 2014

INSTRUCTIONS - See RUS Bulletin 1744-2

Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION

EXCHANGE	1. RATES		2. SUBSCRIBERS (ACCESS LINES)			3. ROUTE MILES	
	B-1	R-1	BUSINESS	RESIDENTIAL	TOTAL	TOTAL (including fiber)	FIBER
	(a)	(b)	(a)	(b)	(c)	(a)	(b)
475 - MO							
762 - MO							
822 - ARK							
854 - OK							
MobileWireless							
Route Mileage Outside Exchange Area							
Total							
No. Exchanges							

**OPERATING REPORT FOR
TELECOMMUNICATIONS BORROWERS**

MO0610

PERIOD ENDED

December, 2014

INSTRUCTIONS - See RUS Bulletin 1744-2

Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION**4. BROADBAND SERVICE****Details on Least Expensive Broadband Service**

EXCHANGE	No. Access Lines with BB available (a)	No Of Broadband Subscribers (b)	Number Of Subscribers (c)	Advertised Download Rate (Kbps) (d)	Advertised Upload Rate (Kbps) (e)	Price Per Month (f)	Standalone/Pckg (f)	Type Of Technology (g)
475 - MO								
762 - MO								
822 - ARK								
854 - OK								
Total								

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION MO0610 PERIOD ENDING December, 2014
INSTRUCTIONS- See RUS Bulletin 1744-2	

PART D. SYSTEM DATA

1. No. Plant Employees	2. No. Other Employees	3. Square Miles Served	4. Access Lines per Square Mile	5. Subscribers per Route Mile
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PART E. TOLL DATA

1. Study Area ID Code(s) a. 421866 b. _____ c. _____ d. _____ e. _____ f. _____ g. _____ h. _____ i. _____ j. _____	2. Types of Toll Settlements (Check one) <table style="width: 100%;"> <tr> <td style="width: 40%;">Interstate:</td> <td style="width: 20%;"><input type="checkbox"/> Average Schedule</td> <td style="width: 40%;"><input checked="" type="checkbox"/> Cost Basis</td> </tr> <tr> <td>Intrastate:</td> <td><input type="checkbox"/> Average Schedule</td> <td><input checked="" type="checkbox"/> Cost Basis</td> </tr> </table>	Interstate:	<input type="checkbox"/> Average Schedule	<input checked="" type="checkbox"/> Cost Basis	Intrastate:	<input type="checkbox"/> Average Schedule	<input checked="" type="checkbox"/> Cost Basis
Interstate:	<input type="checkbox"/> Average Schedule	<input checked="" type="checkbox"/> Cost Basis					
Intrastate:	<input type="checkbox"/> Average Schedule	<input checked="" type="checkbox"/> Cost Basis					

PART F. FUNDS INVESTED IN PLANT DURING YEAR

1. RUS, RTB, & FFB Loan Funds Expended	
2. Other Long-Term Loan Funds Expended	
3. Funds Expended Under RUS Interim Approval	
4. Other Short-Term Loan Funds Expended	
5. General Funds Expended (Other than Interim)	
6. Salvaged Materials	
7. Contribution in Aid to Construction	
8. Gross Additions to Telecom. Plant (1 thru 7)	

PART G. INVESTMENTS IN AFFILIATED COMPANIES

INVESTMENTS	CURRENT YEAR DATA		CUMULATIVE DATA		
	Investment This Year	Income/Loss This Year	Cumulative Investment To Date	Cumulative Income/Loss To Date	Current Balance
	(b)	(c)	(d)	(e)	(f)
1. Investment in Affiliated Companies - Rural Development					
2. Investment in Affiliated Companies - Nonrural Development					

USDA-RUS

**OPERATING REPORT FOR
TELECOMMUNICATIONS BORROWERS**

BORROWER DESIGNATION

MO0610

PERIOD ENDING

December, 2014

PART H. CURRENT DEPRECIATION RATES

Are corporation's depreciation rates approved by the regulatory authority
with jurisdiction over the provision of telephone services? (Check one)

☒

YES

☐

NO

EQUIPMENT CATEGORY

DEPRECIATION RATE

1. Land and support assets - Motor Vehicles
2. Land and support assets - Aircraft
3. Land and support assets - Special purpose vehicles
4. Land and support assets - Garage and other work equipment
5. Land and support assets - Buildings
6. Land and support assets - Furniture and Office equipment
7. Land and support assets - General purpose computers
8. Central Office Switching - Digital
9. Central Office Switching - Analog & Electro-mechanical
10. Central Office Switching - Operator Systems
11. Central Office Transmission - Radio Systems
12. Central Office Transmission - Circuit equipment
13. Information origination/termination - Station apparatus
14. Information origination/termination - Customer premises wiring
15. Information origination/termination - Large private branch exchanges
16. Information origination/termination - Public telephone terminal equipment
17. Information origination/termination - Other terminal equipment
18. Cable and wire facilities - Poles
19. Cable and wire facilities - Aerial cable - Metal
20. Cable and wire facilities - Aerial cable - Fiber
21. Cable and wire facilities - Underground cable- Metal
22. Cable and wire facilities - Underground cable- Fiber
23. Cable and wire facilities - Buried cable - Metal
24. Cable and wire facilities - Buried cable - Fiber
25. Cable and wire facilities - Conduit systems
26. Cable and wire facilities - Other

<p style="text-align: center;">USDA-RUS</p> <p style="text-align: center;">OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</p>	<p>BORROWER DESIGNATION</p> <p style="text-align: center;">MO0610</p>
<p>INSTRUCTIONS – See help in the online application.</p>	<p>PERIOD ENDED</p> <p style="text-align: center;">December, 2014</p>

PART I – STATEMENT OF CASH FLOWS

1. Beginning Cash (Cash and Equivalents plus RUS Construction Fund)	
CASH FLOWS FROM OPERATING ACTIVITIES	
2. Net Income	
<i>Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities</i>	
3. Add: Depreciation	
4. Add: Amortization	
5. Other (Explain)	
<i>Changes in Operating Assets and Liabilities</i>	
6. Decrease/(Increase) in Accounts Receivable	
7. Decrease/(Increase) in Materials and Inventory	
8. Decrease/(Increase) in Prepayments and Deferred Charges	
9. Decrease/(Increase) in Other Current Assets	
10. Increase/(Decrease) in Accounts Payable	
11. Increase/(Decrease) in Advance Billings & Payments	
12. Increase/(Decrease) in Other Current Liabilities	
13. Net Cash Provided/(Used) by Operations	
CASH FLOWS FROM FINANCING ACTIVITIES	
14. Decrease/(Increase) in Notes Receivable	
15. Increase/(Decrease) in Notes Payable	
16. Increase/(Decrease) in Customer Deposits	
17. Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)	
18. Increase/(Decrease) in Other Liabilities & Deferred Credits	
19. Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital	
20. Less: Payment of Dividends	
21. Less: Patronage Capital Credits Retired	
22. Other (Explain)	
23. Net Cash Provided/(Used) by Financing Activities	
CASH FLOWS FROM INVESTING ACTIVITIES	
24. Net Capital Expenditures (Property, Plant & Equipment)	
25. Other Long-Term Investments	
26. Other Noncurrent Assets & Jurisdictional Differences	
27. Other (Explain)	
to be determined by auditors	
28. Net Cash Provided/(Used) by Investing Activities	
29. Net Increase/(Decrease) in Cash	
30. Ending Cash	

Revision Date 2010

<p>USDA-RUS</p> <p>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</p>	<p>BORROWER DESIGNATION</p> <p>MO0610</p>
<p>INSTRUCTIONS - See RUS Bulletin 1744-2</p>	<p>PERIOD ENDED</p> <p>December, 2014</p>
<p>NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</p>	